

To the Members of the California State Assembly:

I am returning Assembly Bill 974 without my signature.

This measure focuses on the California Public Utilities Commission internal siting process, much of which the commission could do administratively without legislation. However, this measure does nothing to eliminate duplication between agencies, streamline the process, provide consistency or increase certainty.

In my response to the 2003 Integrated Energy Policy Report (IEPR) I outlined a program to streamline the transmission permitting process. This proposal included consolidating transmission and generation siting in the same agency, develop a corridor planning process as proposed to be established in SB 1059 currently pending my approval, and increasing transmission investment from both the utility and merchant sector. California needs a one-stop permitting process for bulk transmission lines, which is integrated with energy planning. Agency functions would be consolidated, efficiency in state government promoted, public involvement in permitting decisions enhanced, and permitting decisions would be made in a timely manner.

This bill fails to resolve the current disconnect between transmission planning and permitting and it creates duplicative filing requirements between the investor-owned utilities and the California Independent System Operator.

Sincerely,

Arnold Schwarzenegger